



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

August 18, 2003

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 3687

Mike Dalley
Staker and Parson Companies
1730 North Beck Street
PO Box 27598
Salt Lake City, Utah 84127-0598

Re: Cancellation of Reclamation Surety, Staker and Parson Companies, Keigley Quarry, M/049/001, Utah County, Utah

Dear Mr. Dalley:

On July 31, 2003, we received notification from Liberty Bond Services that your \$615,500 surety bond # [redacted] will be cancelled effective October 15, 2003 (copy attached). The surety bond is posted as reclamation surety for Staker and Parson Companies Keigley Quarry, located in Utah County, Utah. The reason stated for canceling is that it has been replaced by another surety.

The Utah Mined Land Reclamation Act requires an adequate surety be maintained for all large mining operations until the mine site is successfully reclaimed, allowing bond release. **You are hereby directed to submit the replacement surety to this office within 10 days**, prior to August 28, 2003, so we can verify that the new surety is on the federal register of acceptable bonding companies, and that they also have an A- or better rating with the A.M. Best Rating Guide. The correct surety must be in place prior to October 6, 2003, or we may be forced to start surety forfeiture proceedings against the Liberty Mutual surety we now hold for this site.

Please contact me at (801) 538-5286 or Joelle Burns at 538-5291 to discuss this situation further and to inform us of your intentions. Thank you for your consideration and prompt attention to this important permitting requirement.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jh

cc: Steve Alder, AAG's Office
Mary Ann Wright, DOGM

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